## **REMARKS**

Claims 1, 8, 20, 27, and 30 have been amended herein. Claims 1-5, 7-8, 10-24 and 26-32 remain pending for consideration.

Reconsideration of the application is respectfully requested in view of the following responsive remarks. For the Examiner's convenience and reference, Applicant's remarks are presented in the order in which the corresponding issues were raised in the Office Action.

In the Office Action, the following actions were taken:

- (1) Claims 1, 4, 7, 8, 12, 14-16, 18, 20, 23, and 26-32 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention; and
- (2) Claims 1, 4, 7, 8, 12, 14-16, 18, 20, 23, and 26-32 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pub. No. 20030025321 A1 (hereinafter "Lee").

It is respectfully submitted that the presently pending claims be examined and allowed.

## Rejections Under 35 U.S.C. § 112

The Examiner has objected to the phrase "with respect to" as not defining any positional relationship between the data storage device and the print medium. As such, the Applicant has amended the current claims to clarify the positional relationship and respectfully requests that the Examiner withdraw the present rejection.

## Rejections Under 35 U.S.C. § 102

The Examiner has rejected claims 1, 4, 7, 8, 12, 14-16, 18, 20, 23, and 26-32 under 35 U.S.C. § 102(e) as being anticipated by Lee. Before discussing the rejection, it is thought proper to briefly state what is required to sustain such a rejection. It is well settled that "[a] claim is anticipated only if each and every element as set forth in the claims is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil of California*, 814 F.2d

628, 2 U.S.P.Q. 2d 1051, 1053 (Fed. Cir. 1987). In order to establish anticipation under 35 U.S.C. 102, all elements of the claim must be found in a single reference. *Hybritech, Inc. v. Monoclonal Antibodies, Inc.*, 231 U.S.P.Q. 81, 90 (Fed. Cir. 1986), cert. denied 107 S.Ct. 1606 (1987). In particular, as pointed out by the court in *W.L. Gore & Assoc., Inc. v. Garlock, Inc.*, 220 U.S.P.Q. 303, 313 (Fed. Cir. 1981), cert denied, 469 U.S. 851 (1984), "anticipation requires that each and every element of the claimed invention be disclosed in a prior art reference." "The identical invention must be shown in as complete detail as is contained in the...claim." *Richardson v. Suzuki Motor Co.* 9 U.S.P.Q. 2d 1913, 1920 (Fed. Cir. 1989).

The Applicant respectfully submits that each and every element of amended independent claims is not present in Lee in a manner required to sustain a rejection under 35 U.S.C. 102(e). Independent claims 1, 8, 20, 27, and 30 have each been amended to more specifically claim that the data storage device is in or on only a portion of the print medium. In other words, the storage device must be smaller than the print medium as it is only related to a portion of the print medium. Lee, on the other hand, teaches a magnetic layer that is the same size of the ink receptive layer. See abstract, Figures 1-4.

The Examiner has alleged that Lee discloses an embodiment where the storage device is smaller than the print medium. However, this is not the case. Every embodiment disclosed in Lee shows or describes a storage device of the <u>same size</u> as the print medium. The Applicant respectfully renews the arguments made in the previous office action.

The Examiner is relying on one phrase in Lee in alleging that the Applicant's current embodiment is disclosed. Specifically, Lee states that "rather than limited to the narrow dimensions of magnetic tape . . . the magnetic layer 8 is able to record more information." However, such a statement does not disclose the present invention. In order to qualify as a 102 rejection, the single prior art reference must show the identical invention "in as complete detail as is contained in the...claim." This is simply not the case. Lee never discloses the identical invention since Lee only discloses a print medium having a storage device of the same size. The Examiner is attempting to combine elements from the prior art disclosed in Lee with the invention in Lee to reject the present claim set. Such a rejection is not proper under 102 but would be arguably appropriate under 35 U.S.C. 103. The Examiner is fully aware that

the present reference is unavailable for a 103 rejection and therefore is attempting to disguise a 103 rejection as a 102 rejection.

The critical question is whether Lee "discloses the invention" not whether Lee subsequently teaches away. In disclosing the invention, the reference must disclose all the elements <u>as arranged</u> in the claim. <u>See</u> Connell v. Sears, Roebuck, & Co., 722 F.2d 1542, 1547 (Fed. Cir. 1983). Specifically, Connell states that it is not enough

"if the general aspects are the same and the differences in minor matters is only such as would suggest itself to one of ordinary skill in the art." Those statements relate to obviousness, not anticipation. Anticipation requires the presence in a single prior art disclosure of all elements of a claimed invention arranged as in the claim. Id.

The Examiner has not shown all of the elements as arranged in the present claims but has shown general aspects and has made up the differences by combining the disclosure in Lee with elements of the prior art that are also disclosed in Lee.

Thus, Lee has clearly not set forth all of the claimed elements of the instant invention, including the manner which the claimed invention is arranged. Such a use of Lee as a 102 reference is improper. As stated in Connelly, the elements must be disclosed as arranged in the claim, which Lee fails to do. The Examiner has not shown the arrangement of the elements as recited in any independent claim from any single reference. At best, the Examiner has shown a combination of a prior art element (which is not part of the described disclosure as arranged by Lee) with Lee's disclosed invention. The fact that the prior art element is disclosed in Lee is not enough, as Lee never shows the identical invention as arranged in the currently pending claims. As previously stated, such a combination does not qualify as a 102 rejection, but at most, may qualify as a 103 reference.

The Applicant submits that as Lee cannot anticipate the current claim set since Lee does not disclose each and every element as arranged in the pending claim set, and as Lee is not available as prior art, per 35 U.S.C. 103(c). Thus, the present claim set is believed to be in condition for allowance (see statement provided in the May 1, 2006 office action related to the obligation to assign).

## **CONCLUSION**

In view of the foregoing, it is Applicant's position that the present claim set presents allowable subject matter and allowance thereof is respectfully requested.

Further, all claims that had previously been withdrawn which related to the <u>election of species</u> requirement are believed to now be also allowable, as all independent claims are <u>generic</u> and are in allowable condition. Reconsideration of the election of species requirement is also requested.

If any impediment to the allowance of these claims remains after consideration of the above remarks, and such impediment could be removed during a telephone interview, the Examiner is invited to telephone W. Bradley Haymond (Registration No. 35,186) at (541) 715-0159 so that such issues may be resolved as expeditiously as possible.

Please charge any additional fees except for Issue Fee or credit any overpayment to Deposit Account No. 08-2025

Dated this 23th day of April, 2007.

Respectfully submitted,

Gary P. Dakeson

Attorney for Applicant Registration No. 44,266

THORPE NORTH & WESTERN, LLP 8180 South 700 East, Suite 200 Sandy, Utah 84070 (801) 566-6633

On Behalf Of: HEWLETT-PACKARD COMPANY 1000 NE Circle Blvd., m/s 422B Corvallis, OR 97330-4239 (541) 715-0159